

C. DUKES SCOTT  
EXECUTIVE DIRECTOR

P.O. Box 11263  
Columbia, S.C. 29211



Phone: (803) 737-0800  
Fax: (803) 737-0801

DAN F. ARNETT  
CHIEF OF STAFF

JOHN W. FLITTER  
DIRECTOR  
ELECTRIC & GAS REGULATION

June 8, 2006

**VIA ELECTRONIC-DELIVERY**

Charles L.A. Terreni  
Chief Clerk & Administrator  
**Public Service Commission of South Carolina**  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: **Docket No. 2002-153-E: Application of Duke Power Company for Approval of Proposed Change to Risk Fee and Program Name for Levelized Billing Program**

Dear Mr. Terreni,

This is to inform the Public Service Commission ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing. Based on the information provided, ORS does not have an objection to Duke Power Company LLC d/b/a Duke Energy Carolinas, LLC's ("Duke Energy Carolinas") request to change the risk fee stated in its Levelized Billing Program ("Program"), Leaf No. 322 from 4.4% to 4.1%. ORS understands that this reduction will result in lower fixed payment amounts offered to customers either currently enrolled in the Program or considering enrollment to the Program. In addition, ORS has no objection to Duke Energy Carolinas' request to change the name of the Program to Fixed Payment Program to align with the marketing materials used in connection with the Program.

ORS does note that the South Carolina First (Proposed) Revised Leaf No. 322 will supersede South Carolina Original Leaf No. 322, not South Carolina Original Revised Leaf No. 322 as indicated in the filing. The word "Revised" should be deleted from future copies filed pursuant to Commission approval.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,

John W. Flitter

JWF/sh

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Florence Belser, General Counsel, SC ORS  
Dr. James Spearman, Executive Assistant to SC PSC  
F. David Butler, Esquire, SC PSC  
Lara S. Nichols, Esquire, Duke Power  
William F. Austin, Esquire, Austin, Lewis & Rogers, P.A.